ECCLESIA LAW

Private Ecclesiastical Counsel
United States & International

THE GLOBAL SECURITIZATION ARCHITECTURE AND THE FIDUCIARY RECOUPMENT OF ABANDONED CREDIT

1. The Global Architecture: The One World Securitization System

Modern banking operates on a global credit-based accounting system rather than a reserve-based one. Since the enactment of **House Joint Resolution 192 (1933)**, gold-backed substance was withdrawn from the public and replaced by a system where all obligations are discharged in fiat credit.

- **The IMF and Federal Reserve Nexus**: Value is no longer anchored to physical commodities but to human productivity, taxation power, and enforceable promises.
- **Signature as the Prime Asset**: Under the **Bills of Exchange Act 1882**, every signed instrument—whether a mortgage, loan, or promissory note—is legally a negotiable instrument.
- **Ex Nihilo Creation**: Banks create credit "out of nothing" by monetizing the borrower's signature at the moment of signing. The bank does not lend pre-existing reserves; it simultaneously creates a matching deposit in the borrower's account, treating the signature as the funding source.
- **CUSIP Infrastructure**: Once originated, these instruments are bundled and assigned **CUSIP numbers**, transforming them into tradable securities (MBS, ABS, or CLOs) traded on international markets via clearinghouses like the **DTC** or **EuroClear**.

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2. The Nominee Posture and the Strategy of Silence

To facilitate global trading and profit, banks operate in a "nominee" capacity, holding or reporting assets on behalf of another without being the beneficial owner.

- **The Funding Illusion**: While the bank books the instrument as an asset, it does not advance pre-existing capital.

- **Capture of Abandoned Credit**: If the true owner remains silent and does not file to reclaim the credit, the IRS treats it as "abandoned property".
- **Hypothecation and Windfalls**: Banks use these securities as collateral for their own credit expansion (hypothecation) and may further pledge them to other institutions (re-hypothecation), generating profits far exceeding the original loan value.
- **Nominee Misreporting**: Banks often file **Form 1099-OID** in their own names as nominees, capturing the tax credits generated by the signature.
- **The Keating Doctrine**: The core principle is that "Whoever files the 1099 is the creditor; the one who doesn't is the debtor".

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3. The IRS 1212 Recoupment Pathway

IRS Publication 1212 provides the administrative pathway for the true beneficial owner to correct nominee misreporting.

- **Corrective Mandate**: Publication 1212 mandates that if a nominee receives or files OID income but is not the true owner, the true owner must file corrective forms to report the OID on the proper return.
- **The 945 Master Record**: As withholding agents, banks remit the tax withheld from the OID income to the Treasury using **IRS Form 945**.
- **The Verification Algorithm**: For a refund to clear, the bank's Form 945 deposits (negative numbers/credits in the ledger) must be equal to or greater than the amount claimed in Box 4 of the recipient's 1099-OID.

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4. Global Participation and Jurisdictional Boundaries

The CUSIP/IMF framework covers most of the westernized financial world, but certain boundaries exist.

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Region/Status	Participation Level	Technical Characteristic
IMF/Fed Framework	Primary	Utilizes CUSIP identifiers and SWIFT for global instrument clearing.
Sanctioned Nations	Disconnected	Countries like **Iran**, **North Korea**, and **Russia (Partial)** are often disconnected from SWIFT and Western clearinghouses, maintaining independent ledgers.
BRICS+ Alliance	Developing Parallel	Moving toward "sovereign-to-sovereign" credit models and platforms like the "BRICS Bridge" to bypass Federal Reserve oversight.

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5. The Fiduciary Remedy: The Clifford Protocol

To avoid the "**Debtor Trap**" of filing via an SSN or ITIN—which reinforces the presumption of the "body corporate" created at birth—the Clifford Protocol utilizes a specific fiduciary structure.

- **98-Series International Grantor Trust**: This structure obtains a separate EIN, severs the agency link to the debtor estate, and restores the living soul to the status of **Holder in Due Course**.
- **The Envoy Protocol**: Uses the doctrine of *Clausula Rebus Sic Stantibus* to renounce unwanted agency and allows the living soul to assume the office of **General Executor** over the decedent estate.
- **The 508(c)(1)(a) Stewardship**: Recoupment proceeds are managed through a mandatorily tax-exempt ministry trust (e.g., **ROS Ecclesia Trust**), which issues proceeds as ministerial grants to an **Asset Fortress Protocol** (Private Treasury).

Conclusion: The global financial system is built on credit creation and nominee reporting. By establishing fiduciary standing and following the corrective protocols in **IRS Publication 1212**, the true creator of credit can lawfully reclaim abandoned securities.

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